SIERRA PARK WATER COMPANY

BOARD OF DIRECTORS MEETING

Minutes

November 11, 2025 11:00

In Person at the Lodge and Virtual/Google Meet

Executive Session Report - An Executive Session occurred on October 11, 2025 and November 4, 2025. There was nothing to report.

I. Call to Order -Heidi Ordwein at 11:04

II. Attendees Board; Heidi Ordwein, Curtis Cowan, Wanda Lenhardt. Excused was Trever Thompson and Joe Carranza.

Other In Persons in Attendance were Eliza Bonner, Kevin Bonner, Christopher March, Mark Meyers, Betsey Donovan, Chuck Walker, Lisa Cowan, Amy Andersen, Mike Van Gundy, Jerry Powell, & Eric Nelson

III. Review and Approve Agenda -Heidi inquired as to whether any revisions were needed in the Agenda. There were none.

IV. Approval of Minutes – October 11, 2025 – Curt made the motion to approve the minutes from October 11, 2025 SPWC BOD meeting. Wanda seconded the motion that was then unanimously approved.

Wanda requested we take Item 2 of Old Business out of order. She explained that Joe Carranza had officially submitted his resignation as he does not the time he feel necessary to devote to being a board member. He remains supportive of the board and is willing to help with specific tasks . Wanda introduced Kevin Bonner who has been in the park since his childhood. His grandparents Herd and Irene Bonner lived in the Park. His parents Richard and Glenda Bonner also lived in the park. Kevin works for PG&E, in their gas division. He has been a contractor as well. Kevin spoke of his family's history, how he acquired his cabin in the Park and his desire to help the Water Board. Wanda made the motion to have accept Joe Carranza's resignation. Curt seconded the motion which was then passed. Wanda then made the motion to appoint Kevin Bonner as a board member, filling behind the position Joes' resignation left vacant. Curt seconded the motion that was then unanimously passed. Kevin joined the Board Members table as a member

V. Engineer and Manager Reports

a) Manager – Dan DeMoss – Dan attended virtually – Dan reported that he has been working on obtaining a Bridge Loan that will allow us to pay contractors while we await reimbursement from our state funding sources. We have a lot of money going out and this short term loan will help us with cash flow issues.

b) Chief Operator Manager – James Bell reported for Mountain Valley

1. Water Quality Update – The 3rd quarter water quality report was sent out.
2. Operations Update James reported that we have a valve that needs to be worked on.

c) Company Engineer – Nothing to report.

VI Projects Update - Heidi Ordwein/Ed Jackson

a. Meter Project Update – The meter project has completed week 4 of construction. Next week will start week 5 of construction. The construction schedule is posted on the Company website and will be updated as needed but certainly near the Thanksgiving holiday. The project continues to make good progress with over 150 meters installed. Many customers have provided positive feedback with their meter installation. Customers are encouraged to immediately contact the Company if they experience any issues after meter installation. The Company will continue to respond to any issues reported by customers.

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b. Water Treatment Plant Update – The contractor started mobilization for the project on October 20th. There is a construction trailer onsite and fencing surrounding the construction site. Construction activity is on hold while the contractor works through issues with the permit issued by Tuolumne County. Construction activity will resume after the issues are resolved.

Heidi added that the OFSRA has been cooperative in giving a temporary easement which allows SPWC to use OFSRA property, adjacent to where the new treatment plant will be. Heidi reported that Reid has been working on identifying water boxes. She asked that customers leave flags in place as final installation procedures are yet to come and we need to be able to locate the boxes. Reid is still looking for some boxes. The new boxes are not for customer use. We will work on informing our customers regarding the purpose of the boxes and the need to leave the lids on the box. Ed reported that the state has increased our funding to compensate for the increased costs of installing the treatment plant. The water treatment plant has now been approved for $5.2 million dollars.

VII Old Business

a. Flushing will occur the beginning of December. Flushing helps remove manganese and iron from the system where it settles. The operators will post when and where flushing is to take place.
b. Joe Caranza has officially resigned. Thank you for your service. Kevin Bonner has been appointed to fill the position. (this was handled earlier in the meeting).

VIII New Business

a. We will begin the new billing process in February 2026. The new system is being installed. Meter numbers will be attached to the address and used to bill usage. By February we are hoping to go to a monthly schedule. Currently, the December bill would be sent for December, January and February. We will bill in February to cover January Services. These bills will show how much water each customer usage. Moving forward, billing will be done for the month prior and will reflect usage. An advice letter will be filed with the CPUC – tariff's will change.
b. JNS is our new accounting firm. Carlson's Office will do taxes only.
c. Summary from the CWA (California Water Association) Summit – Wanda and Heidi attended the CWA Summit at the end of October. There were many water companies present as well as California State Department of Drinking Water (DDW) administrators present. The theme of consolidating water companies ran through most presentations. Some of the benefits of consolidating companies include sharing operators and billing companies. The problems that consolidations bring involve significant rate increases as well as the need for capacity increases within the company that absorbs the smaller company. The need of increased capacity causes further rate increases as well. A presenter from San Lucas was present. His family owned a small water company there. They had delayed and minimized price increases as they were friends with their customers. In the end they had to sell the company. He indicated that had their raised prices when they needed to they might still own the company. Once another company took over the company prices rose significantly.

   DDW can force companies to consolidate. They reported that they focus on companies that have been failing for an extended period of time (prior to 2019). To avoid forced consolidations they try to work with failing systems as soon as they begin to fail. The State wants water to remain affordable and safe. Sometimes it is difficult to find a larger company to consolidate a smaller company with. Sometimes smaller systems fail and abandon their systems.

   The Summit also presented information about SEGMA(Sustainable Groundwater Management Act) The goal of the Act is to manage groundwater within the state through the development of plan development. It involves allowing local control of groundwater while providing a provision that if local entities do not manage their groundwater the state can manage it for them. This is a much more significant issue in the valley.

   The state is committed to water conservation and leak reductions. Once our meters are operational we will have the capability to compare the amount of water pumped by our wells with the amount received by customers. We will then have an idea of how much water is lost through unidentified leaks. We are a class D company and as a class D company we are only required to install and utilize meters. They

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reported that nation wide it is estimated that systems lose 20 percent of their water in leakage. Accurate data is crucial in calculating water loss.

The Summit also addressed wildfire and water systems. They reviewed the impact of wildfires on water system infrastructure. They discussed unexpected issues that occur during wildfire emergencies such as the inability to unitize cell phones. In general, water systems are not designed to fight wildfires.

The last session was a meeting between the small water companies. They discussed the importance of meeting requirements such as CPUC Annual Reports and providing Tarriff Updates. We are in good standing in these areas. Small water companies have specific problems that larger companies often do not have. These include the lack of safe drinking water, Once company had not had safe drinking water for 14 years. They took their laundry to another town as washing clothes caused significant discoloration of their clothing. They reviewed Manganese. Right now it is considered to be an aesthetic issue. They anticipate a change in what is considered acceptable in the future and it may become a health issue at some point in the future. Flushing is a way systems cope of high levels of manganese as flushing dispels the build up that occurs over time. Other contaminates were reviewed such as PFAS. We have already tested for this and we do not have it.

In closing they acknowledged that companies who had representatives at the Summit were generally not of concern as their attendance demonstrates a commitment to doing well. It is important for CPWC to attend these summits and other meetings.

Ed Jackson stated that he has been impressed with SPWC and the level of functioning we maintain. Ed was previously the president of the California Water Association and has a great deal of exposure to other water companies. He has been impressed with us. There is also a meeting we can attend in the spring.

d. The December meeting will be on December 6th as the lodge will not be available on the 13th.

IX Officer Reports

a. Treasurer –Curtis Cowan
A great deal of work is being done in the Park. We have significant money going out in paying for expenses relating to these projects. We have over $200,000 in claims waiting for state reimbursement.

b. Secretary Wanda Lenhardt
One share of stock was sold this month.

X Adjourned at 12:25

Wanda Lenhardt